



विद्या सर्वार्थ साधिका

ANANDALAYA  
PERIODIC TEST- 1  
Class : XI

Subject : Economics (030)

Date : 18-07-2023

M.M:30

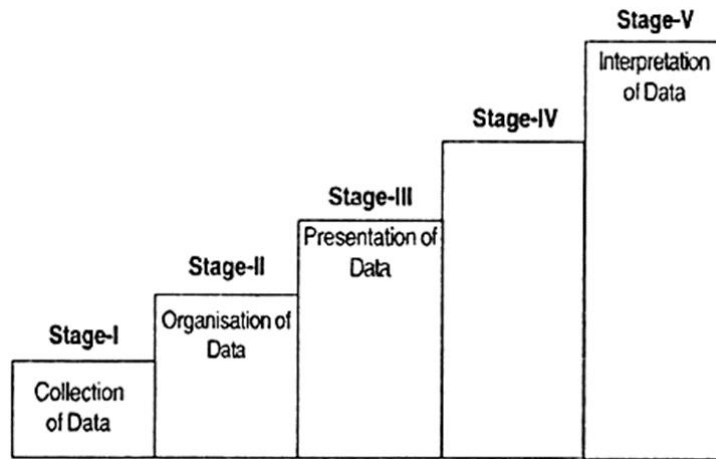
Time: 1 hour 30 mins.

**General Instructions:**

1. All questions are compulsory.
2. This paper contains 7 Multiple Choice Questions of 1 mark each.
3. This paper contains 3 Short Answer Questions of 3 marks each to be answered in 60 to 80 words.
4. This paper contains 2 Short Answer Questions of 4 marks each to be answered in 80 to 100 words.
5. This paper contains 1 Long Answer Question of 6 marks each to be answered in 100 to 150 words.

1. Which one of the following is a Normative Statement? (1)  
(A) In India, pollution is increasing at an alarming rate.  
(B) Higher interest rates induces people to save more out of their income.  
(C) Government should further liberalise the business rules.  
(D) Prices in the economy are continuously rising.
2. Which one of the following is an economic activity? (1)  
(A) Blood donation for a noble cause.  
(B) Household chores by a housewife.  
(C) Taking care of children by a mother.  
(D) Services provided by a doctor in a hospital.
3. Read the following statements carefully and choose the correct alternatives given below: (1)  
**Statement 1:** Production Possibility Frontier will shift towards left when there is decrease in resources with respect to both the goods.  
**Statement 2:** An economy cannot operate at any point outside Production Possibility Frontier as it is unattainable with the available productive capacity.  
(A) Both the statements are true.  
(B) Both the statements are false.  
(C) Statement 1 is true and Statement 2 is false  
(D) Statement 2 is true and Statement 1 is false
4. According to Law of Demand, other things being constant, \_\_\_\_\_ (1)  
(A) there exists positive relationship between price and quantity demanded of a commodity.  
(B) with increase in price, there is rightward shift in demand curve.  
(C) with increase in price, there is leftward shift in demand curve.  
(D) there exists an inverse relationship price and quantity demanded of a commodity.
5. If, as consumer's income increases, the demand of a good decreases, then the good is called \_\_\_\_\_ good. (1)  
(A) normal (B) inferior (C) substitute (D) complimentary
6. We want to know how the National Income or the total income arising from what has been produced in the country (GDP) is distributed through wages, profits and interest. This is the study of \_\_\_\_\_. (1)  
(A) consumption (B) production (C) distribution (D) statistics

7. Stage IV of statistical study is known as \_\_\_\_\_ of data. (1)



- (A) layering                      (B) analysis                      (C) classification                      (D) layout

8. Explain the central problem of ‘how to produce’. (3)

9. In order to encourage tourism in Goa, Indian Airlines reduces the air fare to Goa. Explain with the help of a diagram, how will it affect the demand curve for air travel to Goa? (3)

10. Explain any three functions of Statistics. (3)

11. What is likely to be the impact of “Make in India” appeal to the foreign investors by the Prime Minister of India, on the Production Possibility Frontier of India? Explain with the help of a diagram. (4)

12. Distinguish between ‘increase in quantity demanded’ and ‘increase in demand’ of a commodity. (4)

13. Read the following text carefully and answer the given questions on the basis of the same and common understanding.

With an early onset of summer this year, FMCG companies are expecting a 5-15 per cent rise in demand for products ranging from snacking products, beverages, ready-to-eat packages, rice products and soap categories. “We expect at least a 15 per cent rise in demand during the next 3 months. With the rising temperatures, vacation, and travel in full swing, we usually see an uplift in demand for snack foods. The re-opening of educational institutions leads to a further spurt in consumption of FMCG and more so in case of impulse foods like confectionery, cakes, and salty snacks,” said Krishnarao Buddha, Senior Head Category, Parle Products.

While cold beverages and ice-creams are the most popular categories during the summer season, brands are betting on snacking foods, rice and rice based products, soaps, etc. for sales surge. “We typically experience a surge in sales during the summer season, as it is a time when people tend to spend more on products like beverages and snacks. We are coming up with a new range and flavors in both traditional and western snacks,” said Manish Aggarwal, Director, Bikano, Bikanervala Food Pvt Ltd. The brand is also planning to enter into new categories in the coming months.

Dabur, meanwhile, is betting on its beverages and glucose portfolio. “A warmer and longer summer would be good for our summer-centric products, particularly the beverages and glucose portfolio. We are already witnessing good demand for these products and have started building

inventory for the same, both at the retail and stockist end,” said Adarsh Sharma, Chief Operating Officer, Dabur India Ltd.

In the personal care segment, soap usage goes up during the season. Personal hygiene categories such as face wash and body wash will also grow manifold during the summer season. “We expect our soap category driven by brands like Godrej No.1 and Cinthol to see greater demand in the upcoming summer season. Both brands that have combined double digit market share usually see an uptick in demand,” said Sameer Shah, Chief Financial Officer, Godrej Consumer Products Limited. In the household category, kitchen cleaning and laundry products will see a slight downward trend due to less usage during the period of travel whereas travel kits and travel products will see a rise in sales, said Amarnath Halembur.

With the expected demand surge during the summer months, FMCG firms are all set and prepared with inventory, supply chain and increased production capacity. “With summer setting in early, we have beefed up our supply chain and our factories are operating at full capacity to enhance availability of our portfolio of beverage brands across the country. We are also utilizing, engaging digital campaigns to increase demand through above-the-line advertising,” said Geetika Mehta, Managing Director, Hershey India. Parle Products too has fully equipped with necessary material and production planning to meet the increase in demand. Dabur too has expanded its capacity at its beverage plant in Pantnagar and has set up a new unit in Indore for beverages and in Jammu for aerated fruit beverages.

Source: <https://www.financialexpress.com/industry/fmcg-cos-expects-5-15-surge-in-summer-sales-which-items-sell-the-most-who-will-buy/3016455/> (March 20, 2023)

(a) “With an early onset of summer this year, FMCG companies are expecting a 5-15 per cent rise in demand for products.” (2)

In the light of the above statement, highlight any two examples from the given article, showing how the market demand is influenced by ‘Season and Weather’?

(b) Give the meaning of substitute goods and complimentary goods. Also categorize the following as substitute and complementary goods. (4)

(i) AC and Electricity

(ii) Fan and Cooler

(iii) Cinthol soap and Lux soap

(iv) Vim dishwash liquid and Scotch bright